

B2 Impact ASA

Pareto Nordic Corporate Bond Conference

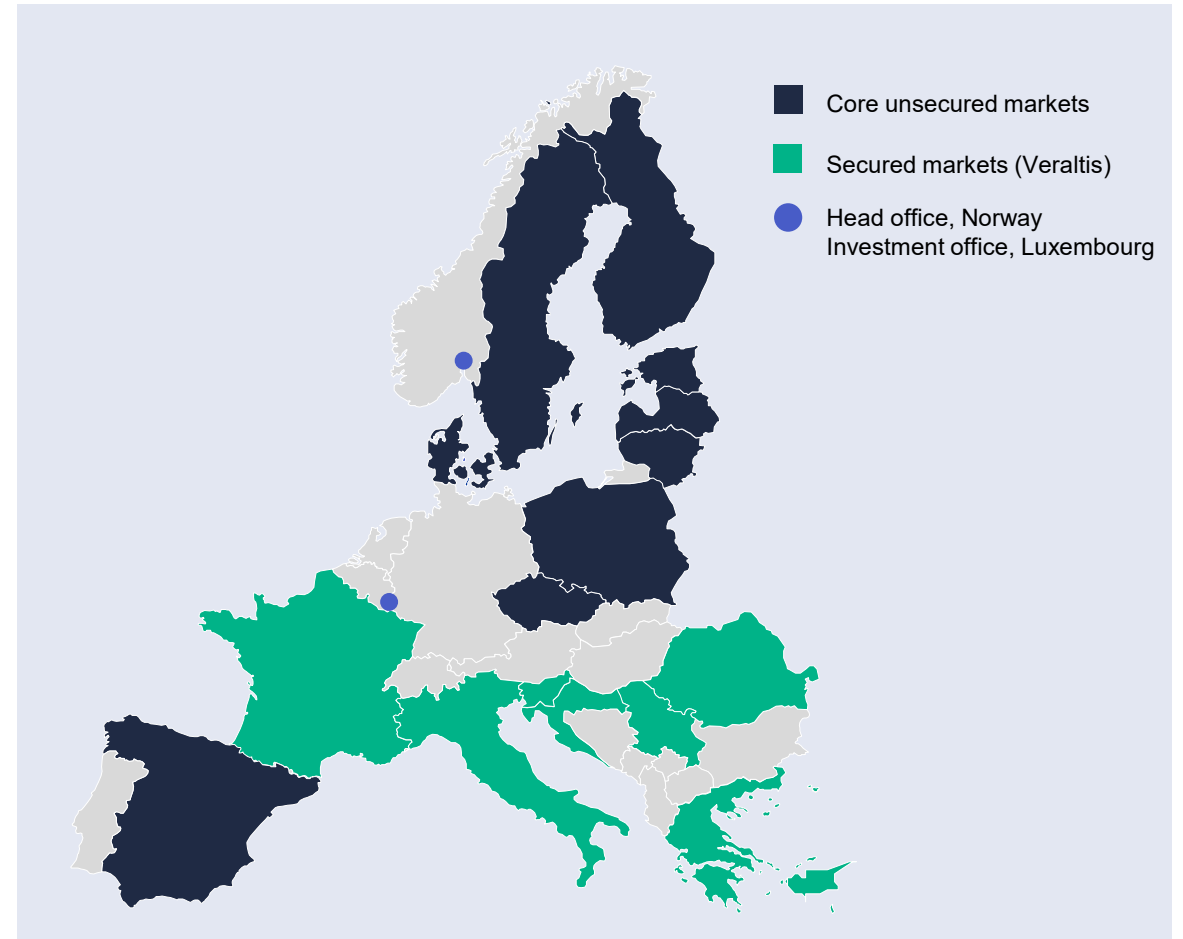
21 March 2024



This is B2 Impact

NOKm	2023	2022	%Δ
Cash collections	6 164	5 161	19%
Net revenues	3 775	3 085	22%
Adj. EBIT	1 696	1 334	27%
Adj. EBIT %	45%	43%	2 pp
EBIT	1 578	1 029	53%
Adj. Net profit	483	564	-14%
Cash revenue	6 733	5 695	18%
Cash EBITDA	4 752	3 996	19%
Cash margin	71%	70%	0 pp
Leverage ratio	1.9x	2.26x	-0.36x

- One of the leading pan-European debt management companies
- Headquartered in Oslo and listed on the Oslo Stock Exchange under the ticker “B2I”
- Focus: Granular consumer NPLs, and retail and corporate secured NPLs, owned and serviced for JV partners



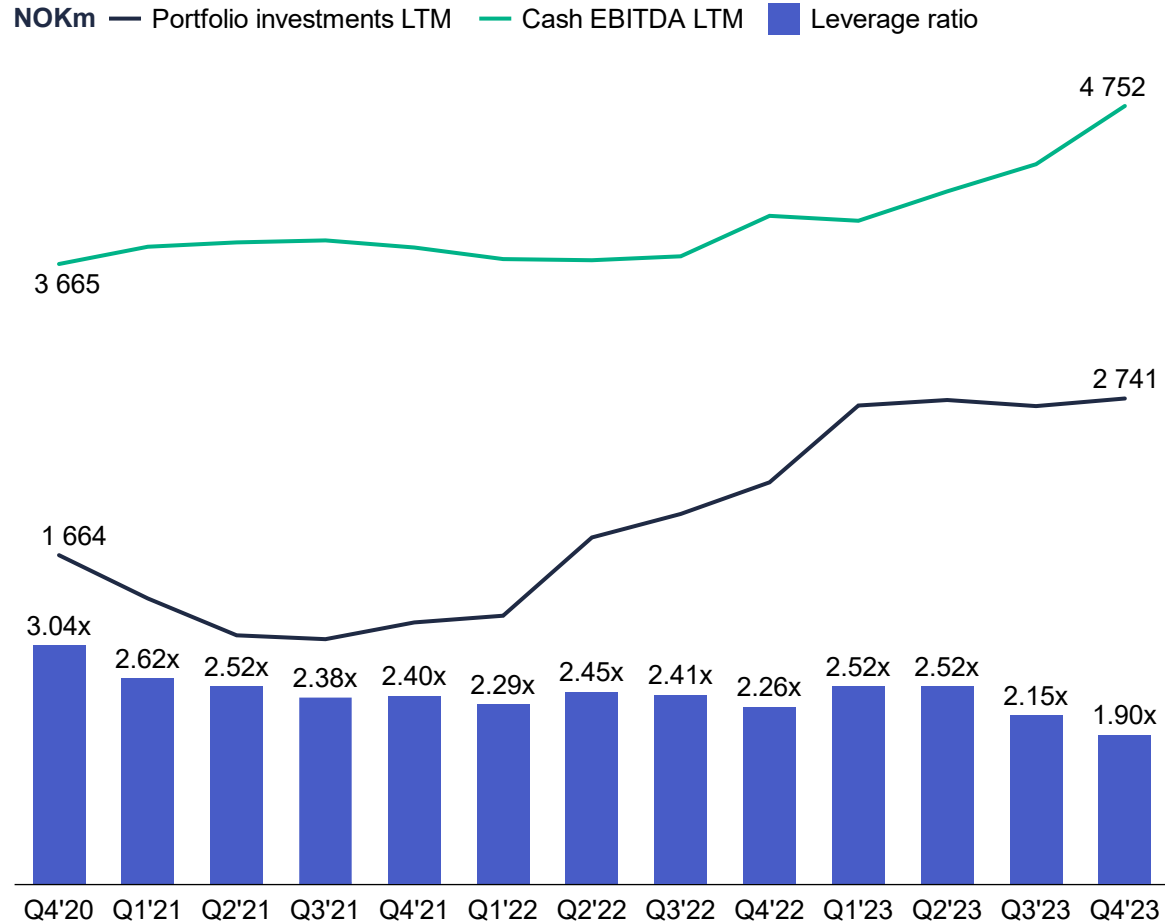
2023 highlights

- ✓ New brand launched
- ✓ Focused on scalability in core unsecured markets
- ✓ Streamlined organizational structure to reduce costs
- ✓ Reduced footprint
- ✓ Portfolio investments within the guided range
- ✓ Committed investments of NOK 700m for 2024
- ✓ Leverage ratio down to 1.90x
- ✓ Improved credit rating
- ✓ Proposed dividend of NOK 0.70 per share

2024 priorities

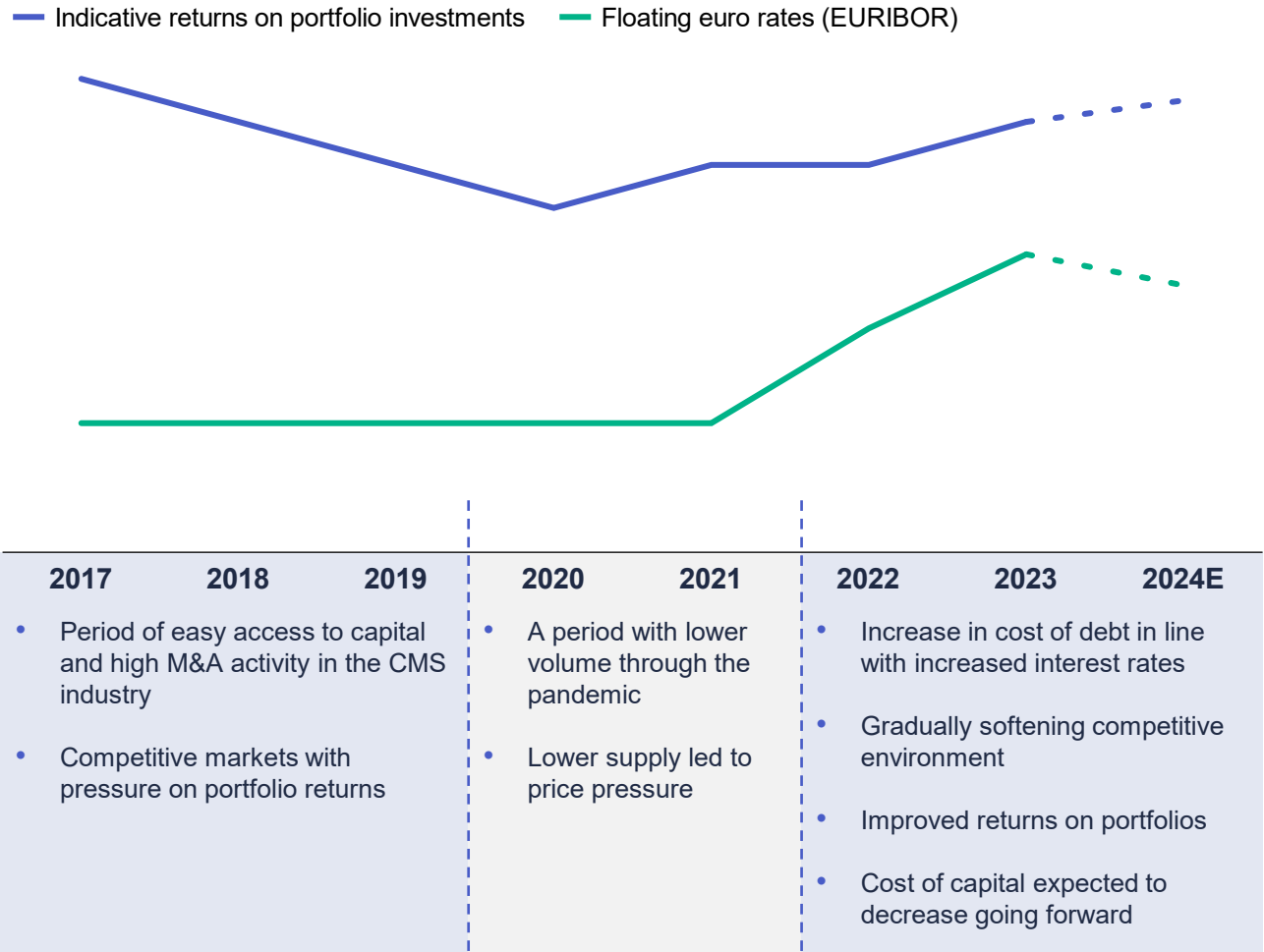
- Selective investment approach and improving returns
- Further reduce cost of debt and extend maturity profile
- Continued focus on concentration of footprint

Capital discipline in combination with strong cash flow and growth in investments



- Lowest leverage ratio in the industry
- Strong cash flow with Cash EBITDA of NOK 4.75bn
- Growth in investments with improved returns
- Solid balance sheet gives room for investment growth
- Positive development in cost of debt with latest bond issue

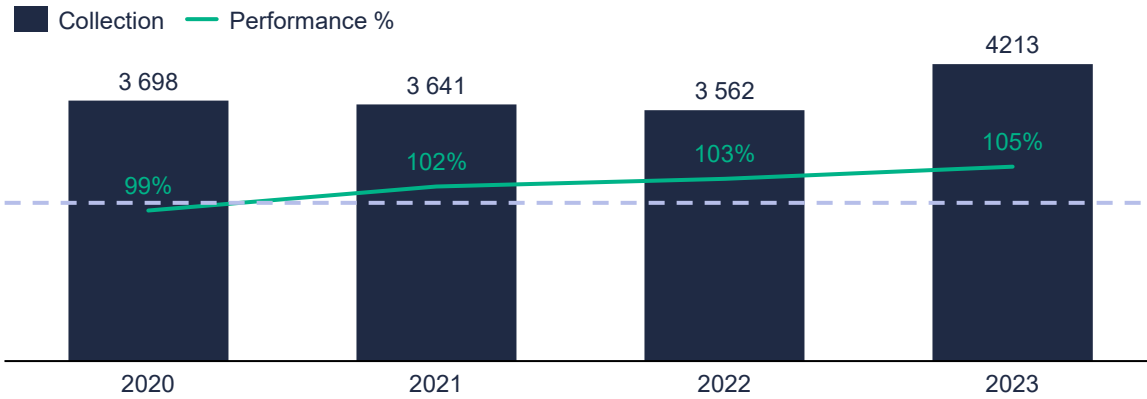
Improving returns and lower cost of debt



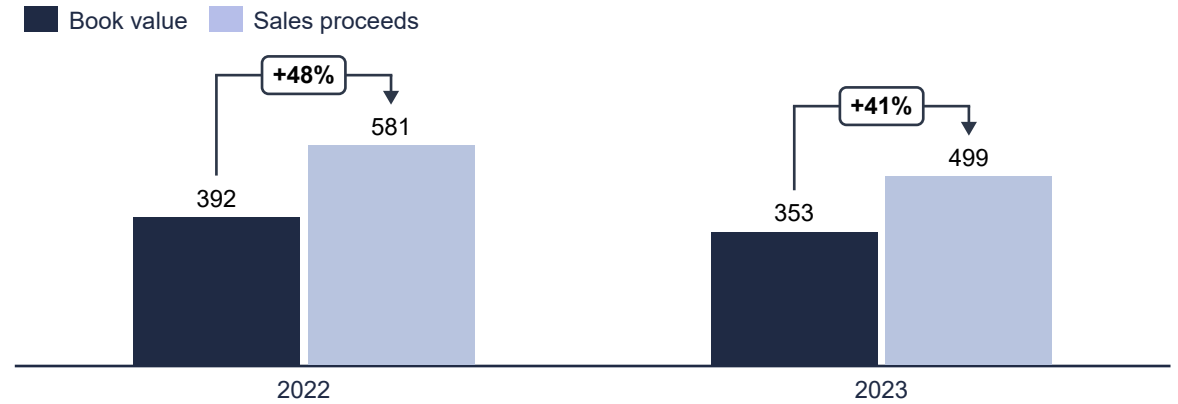
- The industry is expected to be at the beginning of a new attractive investment cycle
 - Latest reported numbers from European Banking Authority show an increase in NPL volumes after a period of decline
 - Increasing NPL volumes also expected from non-banking financial institutions
 - Additional NPL volumes from secondary trades by industry players and financial investors
- Less capital available for acquisition of NPL portfolios due to capital constraints in the industry
- Lower pricing of portfolios represents attractive investment opportunities for B2 Impact
- Selective investment approach

Collection Performance excl. JVs

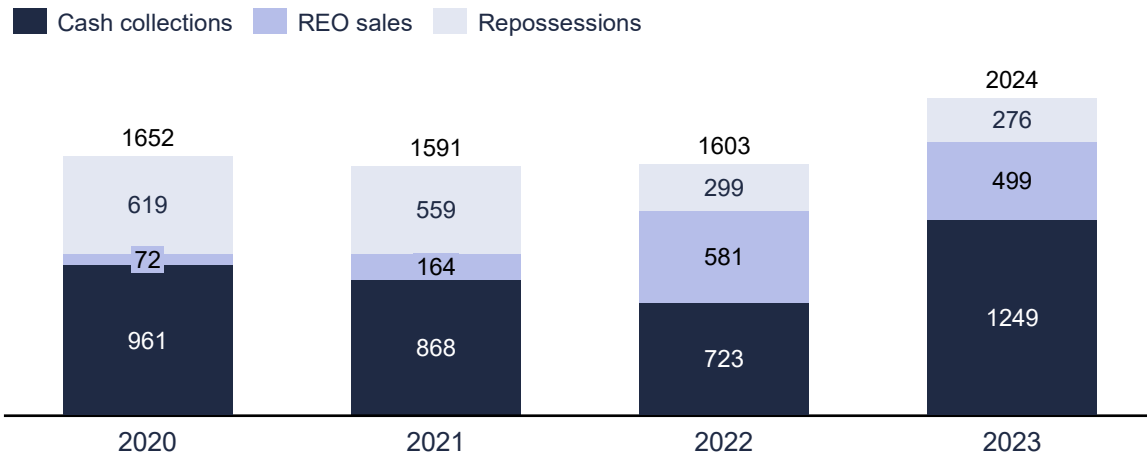
Unsecured collection performance



REO sales



Secured collections

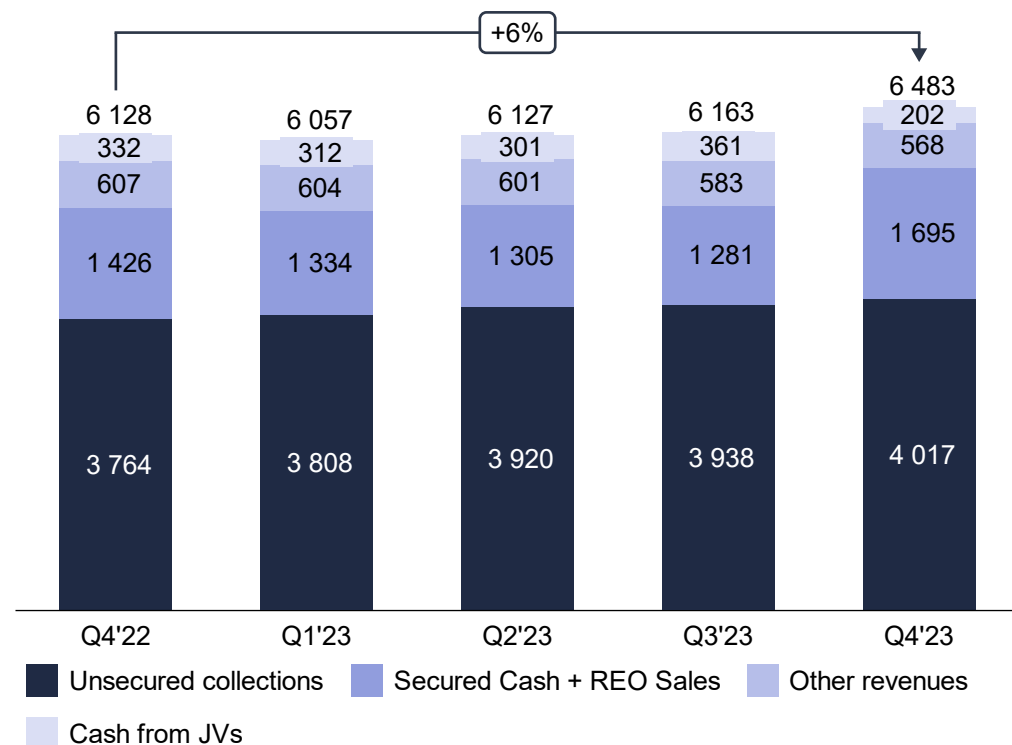


- Continued Unsecured overperformance
- Strong and stable secured cash collections
 - REO sales at 40% above book value

Improving OPEX ratio despite growth in collection and inflationary pressure

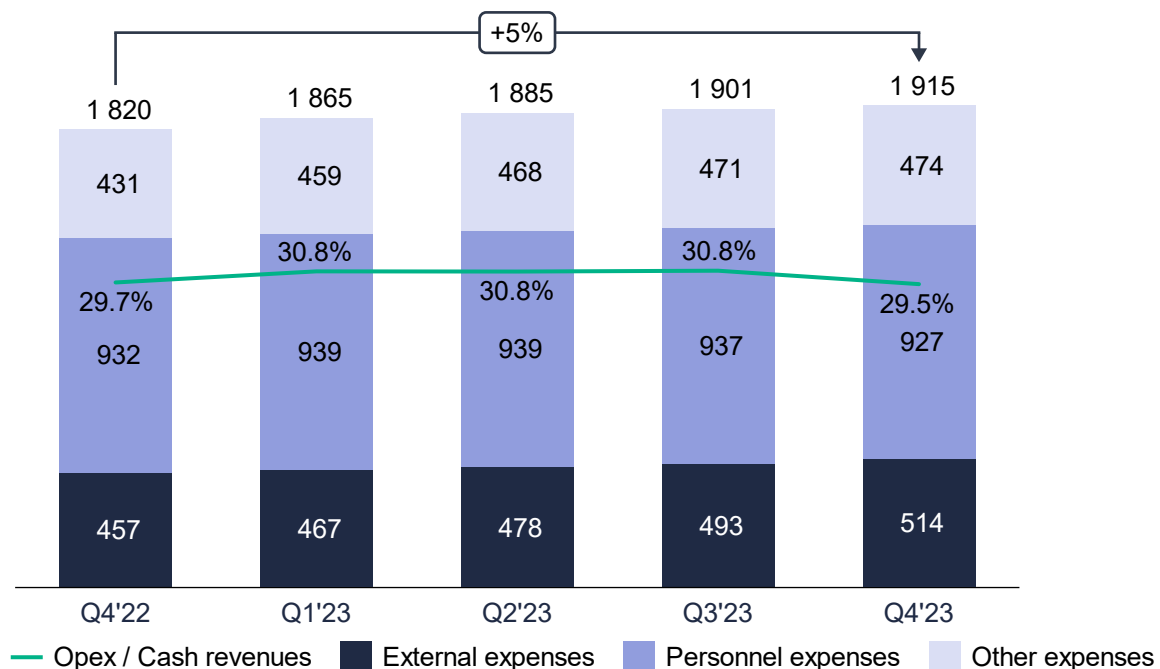
Cash revenue LTM¹⁾

- Continued growth in unsecured collections
- Solid cash contribution from Secured



Operating expenses LTM^{1,2)}

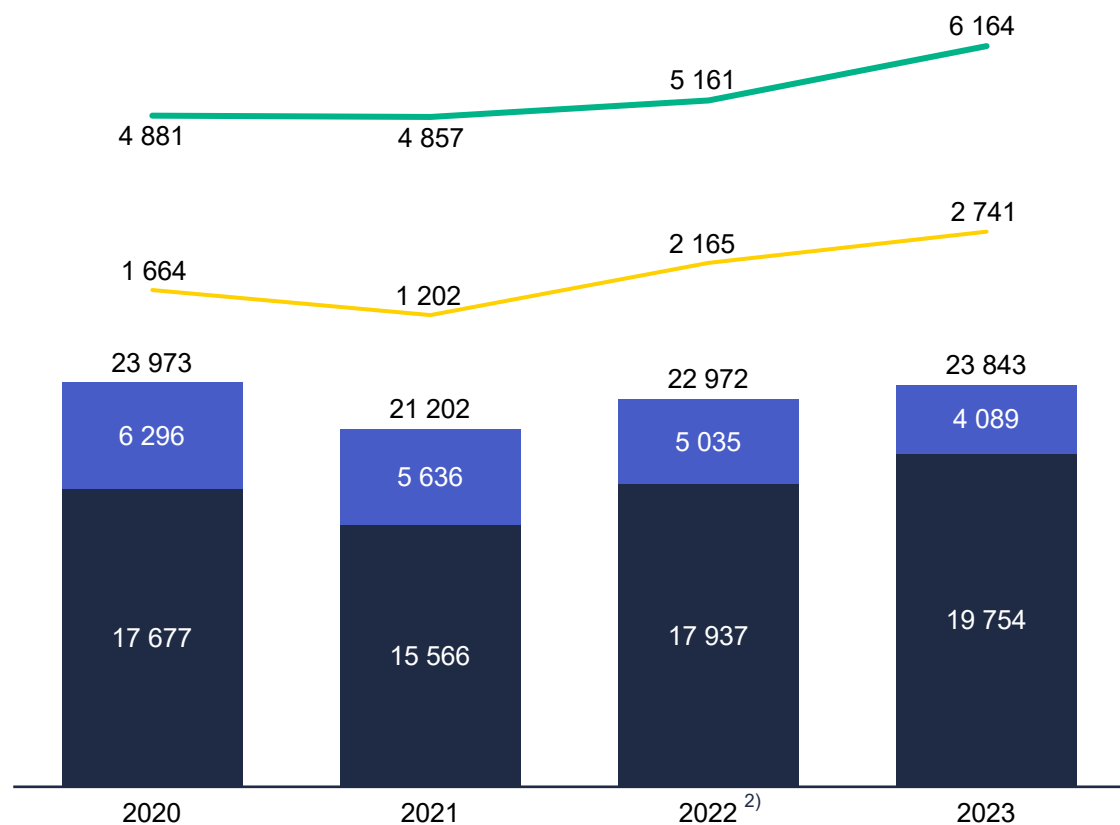
- Positive cash and opex development in the quarter
- Opex increase driven by variable cost to collect while personnel costs are down 4% in the quarter



Portfolio investments and Estimated Remaining Collections (ERC)

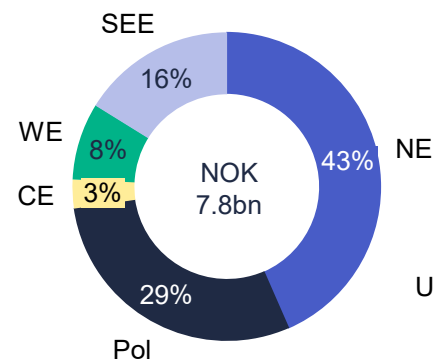
Growing cash collections and stable ERC¹⁾

NOKm ■ NPL Unsecured ■ NPL Secured ■ Cash collections ■ Investments

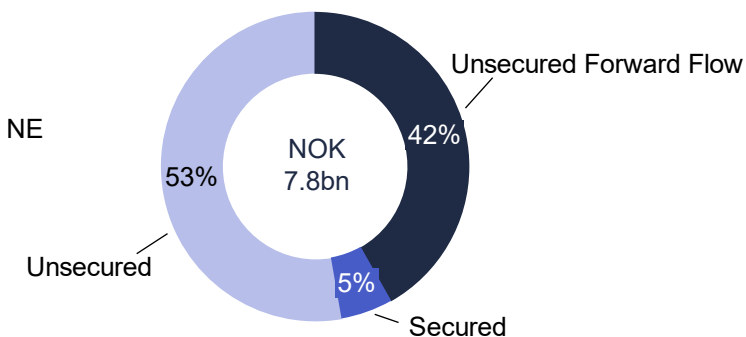


Portfolio investments in 2020-2023

Geographical distribution

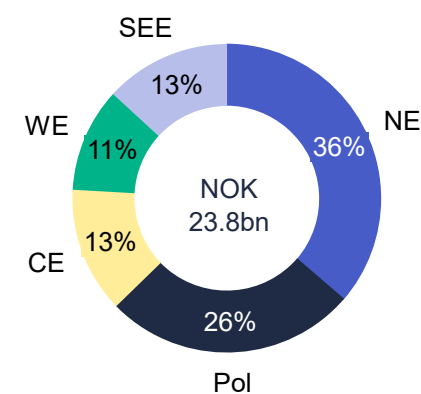


Asset class distribution

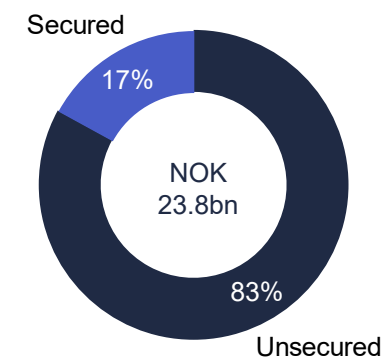


Total ERC as of 2023

Geographical distribution



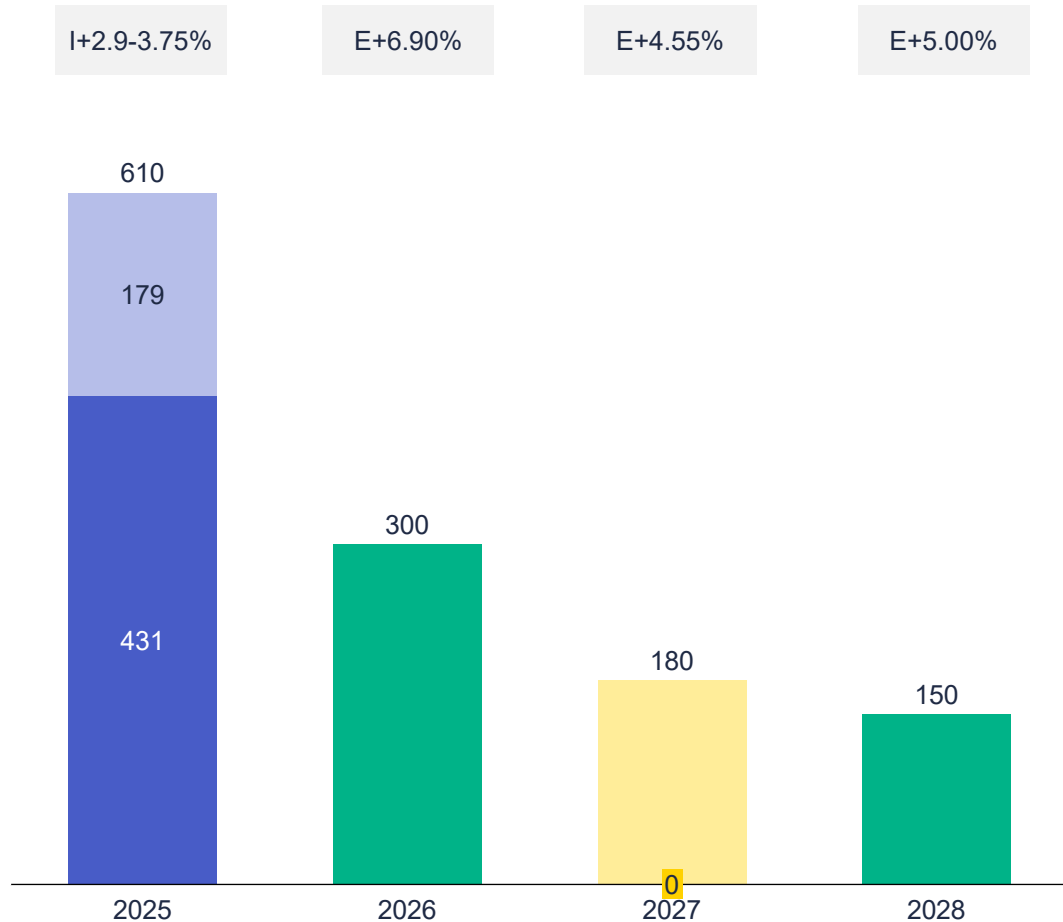
Asset class distribution



1) Including the Group's share of portfolios acquired and held in SPVs and joint ventures and REOs
 2) 2022 includes ERC in connection with NOK 435m of Portfolio investments signed late December but closed in January and reported in Q1 Portfolio investments.

Lower leverage and lower cost of debt

■ Outstanding bonds
 ■ Utilised RCF
 ■ Unutilised RCF
 ■ Utilised SFA
 ■ Unutilised SFA



- Bond refinancing in Q1 2024
 - Bond issue of EUR 100m at 5.00% margin
 - Bond issue tap of EUR 50m at 101,25 to par (spread 4.61%)
 - Repaid Bond 5 of EUR 200m at 6.35% margin
- SFA fully repaid in January 2024
- New interest rate swaps in Q1 2024
 - Hedging ratio maintained above 50% with more than 2Y duration
- Low leverage
 - Equity ratio of 33%
 - Total Loan to Value of 63%
 - Leverage Ratio of 1.90x
 - Interest Cover Ratio of 5.1x

B2 Impact with improved credit rating

Rating agency	CFR ¹	Outlook	Bond Rating ²
MOODY'S	Ba2	Stable	Ba3
S&P Global Ratings	BB-	Stable	BB-



B2 Impact's management has also ensured timely refinancings and adequate back-up facilities in order to mitigate refinancing risks during periods of potentially constrained capital market access.

- Moody's (29 Sept 2023)



The latter leaves the company in a better financial position to increase its investment volumes with higher internal rates of return (IRR) compared with many of its peers with higher leverage

- S&P (27 Feb 2024)

1) Corporate Family Rating

2) An upgrade/downgrade of the Group's CFR would likely result in an upgrade of the bond rating

Successful deleveraging coupled with strong financials drives improved credit spread

Positive credit spread development



Improved credit spread following new bond issue

- Spread historically lagging to peers
- Step by step improved comparable metrics through long term focus on deleveraging and investment discipline
- New benchmark curve set following recent bond issue
- Target to move the curve further through consistent and transparent investment strategy and discipline

Key credit highlights



b2-impact.com

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